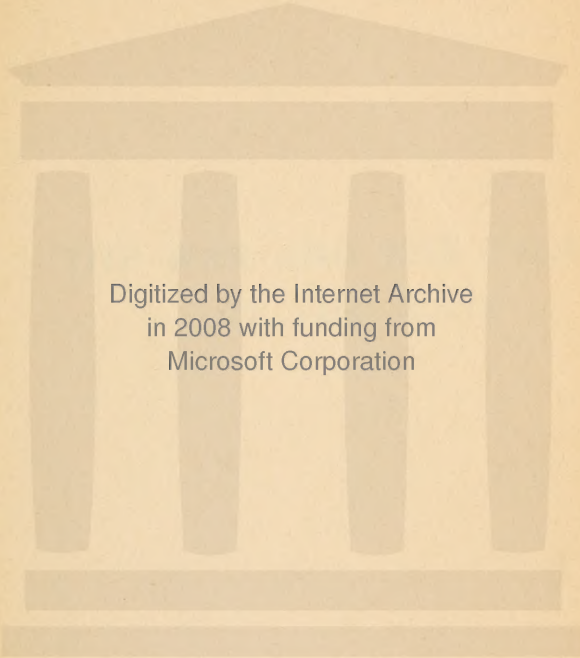


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THE WAR AND THE PARTING OF THE WAYS

A SHORT STUDY OF THE FUTURE OF THE
BRITISH EMPIRE
IN RELATION TO THE GREAT WAR

BY

CHARLES H. LUKE, A.M.S.E.



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TO
MY WIFE

WHO HAS BEEN AN IMMEASURABLE INSPIRATION
IN THIS TIME OF NATIONAL STRESS
THIS LITTLE BOOK IS DEDICATED

C. H. L.

ROSLYN, WILMSLOW

January 1915

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THE WAR AND THE PARTING OF THE WAYS

I

INTRODUCTION—THE GREAT AWAKENING

THE great War of 1914 will be responsible for many changes in the life of Great Britain and the British Empire generally, from the Commercial, Political, Military, and Social point of view.

Just a few months ago we were face to face with a deadlock in Irish affairs, which seemed leading us into civil war, but in other respects our National and Imperial life was proceeding along normal lines.

In international affairs it seemed as if the disturbance caused by the Austrian Royal tragedy at Sarajevo would blow over.

Suddenly Austria launched an ultimatum

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at Servia, and the whole artificial fabric of the Concert of Europe fell to the ground like a pack of cards.

The result, long foreseen by all thoughtful men, of the huge armaments maintained by Continental Powers was immediately apparent. Europe became an armed camp, disastrous financial panics were only avoided by prompt intervention of the various Governments, the principal Stock Exchanges of the world were closed; and now the Empire is fighting for its very existence in the greatest war the world has ever seen, over 20,000,000 men being under arms.

This forces upon us the consideration of the probable result on our National and Imperial life in the future.

The one domestic excitement, the eternal Home Rule question, has been put aside with scarce a thought, a wave of patriotism has swept over this country and the Empire, drawing into its vortex every section of the community—Socialists, Labourists, Pacificists—in addition to what are called the middle and upper classes, so that there is scarcely

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one representative man in Great Britain who opposes one of the most just, as well as the most terrible, wars of all time.

The three resignations from the Government may be dismissed as the last splutter of the once apparently numerous "Peace at any price" body.

What is to be the result of all this breaking away from old ideas, the elimination of the old parochial element in Politics, this enforced self-sacrifice, and this full and complete revelation of the old ruthless Berserker element which shares, with a mistaken idea of "Destiny," the privilege of being the main basic force in a great so-called cultured and civilized nation?

Are we to go back to the old easy-going luxurious life, or are we to come out of the fiery trial a stronger, abler, more serious, and less parochial people? Is all this shoulder-to-shoulder effort of high and low, rich and poor, Liberal, Conservative, and Socialist to count for nothing? Is the introspection, which must be indulged in by the most callous at such a time, to bear fruit, or are we to revert

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to the old shibboleths as soon as the crisis is past? Surely not.

Now is the appointed hour for the British Empire, for not only are the peoples of these two little islands flocking to the country's aid in this time of need, but from all quarters of the earth the sons of Britain come, armed, to the Motherland, to assert on the battlefield their rights as citizens of the greatest Empire the world has ever known. Perhaps the most striking evidence of the solidarity of the Empire is that among the fighting forces are not only those of British birth or descent, but also our Dutch fellow-citizens, lately our enemies, and thousands of men from our gallant Indian army, who are for the first time fighting alongside the Imperial and British troops in a European war.

All thinking Britons must from time to time have seriously considered whether or not our rule over various races has resulted in our actually securing the respect or affection of these races, and in no case would such consideration be more appropriate than in connection with that conglomeration of

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racés and varied civilizations which goes to make up the British Indian Empire.

May we not, with all humility, pride ourselves on the result as evidenced by the magnificent gifts offered by the various ruling chiefs and others of this great and inscrutable country?

With all our faults we have generally endeavoured to administer this important section of the British Empire justly and honestly; we have doubtless made many mistakes, but the main principles of our Government would seem to be justified by the practically unanimous support accorded to the King-Emperor in this hour of fiery trial for the Empire.

This war is between two opposing principles of Empire, one founded mainly on liberty, justice, the right of peaceful expansion, the fullest possible liberty to the individual, and the fullest possible scope for the individual temperament; the recognition of international contracts, even when made with and for small nations; and in the main, in spite of many weaknesses, a belief in a certain righteousness in its national policy.

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The destiny of the British race is well described in a recent article :¹

“We, no less than the Germans, have our destiny. No less than they we are meant to impress the imagination of the world, to establish an Empire over the minds of men. But our Empire is not one which needs blood and war and a mailed-fist diplomacy to make its way. It is an Empire of ideas, forged in the long course of our history by Pym and Hampden, Cromwell, Chatham, Pitt, Wilberforce, Gladstone, Salisbury ; defended by a not less noble band, Wolfe and Wellington, Nelson, Lawrence, and Nicholson, who have risked or given their lives for the country where these ideas were born ; and carried broadcast over the world by the example and not the swords of that great unknown army of men and women who, exiled, in the scorching plains of India, or on the lonely outposts of fever-ridden dependencies, have steadfastly upheld for generations the reputation and the justice of the British name.”

¹ *The Round Table*, September 1914.

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The other founded on might, considering that small nations were better off as parts of a great Empire than as separate entities, however contented and happy they might be in their unassuming state, enforcing a ruthless uniformity in all departments of life, in trade, in ideals, and in moral aspiration, absolutely unmoral in respect to international contracts, holding that these were not intended to be binding except when their observance was convenient, and showing its policy in the words of its leading statesman that, "The vital strength of a nation is the only measure of that nation's armaments."

It is unthinkable that the future of Europe is to be dominated by principles of this kind, and we must have an unswerving belief that the principle of Empire represented by Britain will prevail, even though the contest be stern, testing all the endurance of the race.

It has to be recognized that we are face to face with the greatest power Britain has fought in all the ages, a power strongly armed, splendidly organized, confident in its ability to win, and backed—and this is very

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important—by the united will of a people who have been taught by their Professors, Politicians, Soldiers, Sailors, and more than all by their Emperor, that they are the chosen people and the predestined World Power. Further, it must not be forgotten that at the back of the braggart Militarism and the somewhat blatant commercialism of this nation there is undoubted ability and culture and a great literature, with writers embracing Philosophers, Historians, and Poets of the first rank, which has had an immense influence on the maturing of German ideals and beliefs.

As the late Professor Cramb¹ stated: "Of all England's enemies Germany is by far the greatest, and by 'greatness' I mean not merely magnitude, not her millions of soldiers—I mean grandeur of soul."

There is no doubt that the awakening of Britain was needed, and, now that it would seem to be so far accomplished, it is desirable to consider how and in what way we are to gain by this upheaval, as a nation and as an Empire.

¹ J. A. Cramb, *Germany and England*.

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The author purposes examining a few sides of our National and Imperial life with a view to seeing how we stand and how the nation is equipped for securing the fullest benefit from the awakening of the national spirit in all departments of the life of the people.

To a commercial nation trade opportunities naturally assume a first importance.

II

BRITISH TRADE AND ITS OPPORTUNITY

NATIONAL ASPECT

Reorganization of Board of Trade—Minister of Commerce—Minister of Labour—Commercial attachés—Consular Service.

BANKING FACILITIES

Nationalization of Joint Stock Banks—Bank of Commerce—Government guarantee—State Socialism.

MANUFACTURING AND TRADING SIDE

Labour problems—Markets to be studied—Decimal system—Sales organization—The language question—Collective effort—Imperial trade—Trade with Allies.

DAY by day a stream of advice is being poured out in the Press, in pamphlets and in speeches, telling the British manufacturer how to capture German and Austrian trade, how remiss he has been in the past, and what he must do in the future. Some of it is sound, some is obvious, but much could only be carried out in a Utopian state, where

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manufacturers were philanthropists, workmen desirous only of work for work's sake, and the people buyers of British and British Dominion goods irrespective of price !

Such ideal conditions are obviously impossible, as manufacturers want a reasonable profit, workmen the highest pay obtainable, and the public the cheapest article which will suit their requirements.

One or two serious considerations specially obtrude themselves in connection with British trade and commerce just now, one being the silent pressure of the British Fleet, which has (*a*) practically driven German trade off the seas ; (*b*) allowed our mercantile marine almost normal scope ; (*c*) practically cut off the whole supply of the raw material required to keep the works and factories of Germany employed.

The economic effect of this pressure is of course immense, and for the moment makes immediate German competition impossible, the position being accentuated by the number of Powers who are involved in the conflict. Thus *now* is the time for laying plans and

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developing a national attack on markets which have been wrested from us by the well-organized efforts of German Industrialism.

Another factor is the competition for German trade, which naturally arises from our friendly rivals in the United States ; this great country being neutral, American manufacturers are free to devote themselves to this work, and quietly to secure the full benefit of their enterprise in building the Panama Canal.

Further, we must not forget that, crush Germany as you may, you will have sooner or later in the future to reckon with the genius of the nation in the competition for the world's trade, and, bearing in mind the phenomenal rise of Teutonic industry since 1871, this may well come sooner rather than later, though probably on healthier and less aggressive lines.

Bearing all these facts in mind, let us consider how we are equipped for the industrial fight.

There is no doubt that there is among leading manufacturers and merchants a full

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appreciation of the possibilities of the position, and a desire to find the proper way of taking full advantage of them.

Taking a broad view, the position must be considered from three aspects—the National, the Banking, and the Manufacturing.

The National aspect may again be divided into two sections—the Government attitude towards commerce in all its branches, and the people's attitude in respect to buying.

The Government is represented by the Board of Trade at home, and by commercial attachés (whose work is seldom heard of) and Consuls abroad, all controlled by the Foreign Office.

What is the Board of Trade, and what is its attitude towards commerce?

This Board was originated by Cromwell and confirmed as a Board of Trade and Plantations by Charles II. in 1660. It had rather a chequered and spasmodic career until 1786, when by an order in Council it was established very much in its present form. Originally the departments were Statistics and Commerce, but numerous modi-

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fications and additions have been made from time to time, among these being the Railway Department (established 1840), which examines plans for railways, inspects them before they can be opened, inquires into causes of accidents and controls Tramways, Gas, Water, and Electric Lighting Companies; a Marine Department (established 1850), which surveys channels, etc., provides for examination of officers for Mercantile Marine, regulates shipping offices, pilotage (incidentally admitting many foreigners as pilots), wage disputes, fixes loading regulations, etc., and in passing one might draw attention to the fact that until quite recently the Board allowed foreign vessels to trade from one British port to another, under the *foreign* load-line regulations, much to the detriment of our shipping interests; a Harbour Department (established 1866), which deals with harbours, foreshores, lighthouses, navigable channels, etc., oyster and mussel fishing, piers, wrecks, quarantine, weights and measures; and a Finance Department (established 1866). In addition there is the Labour

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Department (established about 1900), which has to collect information on various matters connected with conditions of employment, details of labour disputes, and more recently has, under the able guidance of Sir George R. Askwith, had a great deal to do with the settlement of strikes. Finally, the Patent Office and the Bankruptcy Department are also under the Board, and recently an Exhibition Branch has been established to take charge of British interests in Foreign International Exhibitions in cases where the Government has been officially asked to participate. This was established after we had been in the habit for about sixty years of appointing Royal Commissions to take charge of our interests in such exhibitions, disbanding the organization as soon as the particular exhibition was over, and scattering all the expert staff which had been got together!

The delay in this needed reform is a typical specimen of the inertness of the Board where purely commercial interests are concerned.

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Lastly, there is the Commercial Intelligence Department, which may be considered to be the only reasonably businesslike department in the Board of Trade, though all who know the attitude assumed by civil servants towards trade must have a good deal of pity for those unfortunate business men who are in charge of this particular department.

When one considers in connection with the above portentous list of duties the fact that it is reasonable to suppose that the sympathetic fostering of British trade, and export trade in particular, is one of the first duties of the Board of Trade, one cannot help but think that this Board as at present constituted is not properly equipped to do justice to the work entrusted to it, which in all other great countries is in the hands of several ministries.

It will be seen that the main elements of its constitution are the same in 1914 as in 1786, and in this connection it is important to note that the value of the total imports and exports in 1800 was £68,620,000, or £1, 2s. 6d. per head of population, while in

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1911 it was £1,237,035,959, or £25, os. 11d. per head of population.

Taking into consideration this vast mass of trade and its great importance to the country, is it reasonable to expect that the constitution originally intended to deal with a commerce of about £70,000,000 is calculated to deal satisfactorily with the present vast turnover? It certainly is not, particularly when one bears in mind the other extremely important duties entrusted to the Board, many of which have grown from decade to decade, as a result of the march of science in relation to transport and lighting, and the growth of the population, necessitating increased water supply, greater harbour and other facilities. It is quite clear that the nation is entitled to demand greater consideration of this subject in view of fierce modern competition.

It is an old joke that on the Board will be found the Archbishop of Canterbury and the Speaker of the Irish House of Commons. However that may be, it must be admitted that things have improved of recent years, and the members of the Committees are now

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drawn from various trades and are called together from time to time.

Since 1864 the President of the Board of Trade has been a Cabinet Minister, a somewhat tardy recognition of the importance of trade to a "nation of shopkeepers"; the principal officers are secretaries, all taken from the ranks of the Civil Service and all more or less tainted with that contempt for trade so characteristic of the Government official.

Such is the Government Department to which is mainly entrusted the official regulation of our commerce, our mercantile marine, with its 13,000,000 tons of shipping, and our railways.

The concentration of so many functions under one official head has for a long time been considered by business men to be a basic mistake in our Government Trade Department. From time to time we have demands for a Minister of Commerce such as one finds in other countries, and it is considered by important business interests a grave mistake on the part of both political

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parties that this question was not seriously dealt with long ago.

The magnitude of the interests involved would seem to point to a proper division of the duties of the Board of Trade into three Ministries—a Ministry of Commerce, a Ministry of Marine and Railways, and a Ministry of Labour—or, if it is objected that as we have an Admiralty Department a Minister of Marine is unnecessary, the division might be—a Minister of Commerce (controlling all ordinary trade and mercantile marine matters), a Minister of Railways, and a Minister of Labour—this latter a most important and greatly needed reform.

By such a division it might be possible gradually to permeate the Commercial Department with a greater realization of what the nation expects, and ultimately to get rid of the official attitude that the Government has no interest in trade *qua* trade, except to tax industry to the limit of its capacity! and frame regulations defining the conditions which must exist on ships, on railways, in works, collieries, and factories, such regula-

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tions being frequently characterized by ridiculous want of knowledge of what is required. Though the conditions which must exist in factories and collieries are laid down by the Home Office, the regulations as laid down are often only another sign of the want of the business element in Government circles devoted to the control of trade and manufacture.

As has been mentioned, there have been attempts in recent years to graft some more up-to-date methods on to the constitution of the Board of Trade, and two departments have been added—the Commercial Intelligence Department (which incorporates the old Statistical Department) and the Exhibitions Branch. Both these departments can be made valuable, and there is no doubt that the commercial branch is doing good work in supplying statistics of imports and exports, though the system is not by any means perfect, and also in sending manufacturers direct and through the various Chambers of Commerce, data extracted from Consular reports and sent by the special Trade Com-

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missioners in Canada and other Dominions.

This department was recently very busy with pamphlets giving data as to German exports to various countries, and also holding small exhibitions of German goods which it is thought our manufacturers can profitably make.

As more or less typical of the attitude of Government officials generally to trade, the following may be of interest. A few years ago the author had a conversation with the Director of Commercial Intelligence, and was given some interesting information regarding the data which had been, and was from day to day, collected by his department. Being much interested in this, the author remarked that it was very valuable, but did the Director know those firms in the different trades who were interested in particular data? And his reply was that it was not the business of the Government to get such information. It was sent to the Chamber of Commerce, and manufacturers ought to know where to apply for what they wanted! It was apparently in-

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compatible with the dignity of the Government of the greatest industrial nation of the world to endeavour to get the information collected into the right hands—in fact, to have an efficient distributing as well as collecting organization !

In recent years this department has in many ways advanced in efficiency, and great credit is due to the Director of Commercial Intelligence for his endeavour to meet the position created by the war.

The department is, however, more or less of a “Cinderella” in Government circles. It is housed in a side street in the city, instead of being recognized as one of the most important branches of the Board, and at the best it is only a makeshift, resulting from pressure exercised on various Governments by Chambers of Commerce and other bodies, who have urged from time to time the appointment of a Minister of Commerce.

In fact, it is an innovation not at all popular in Government circles ; if you discussed it with a regular Civil Service official he would smile somewhat superciliously and state that

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the heads do not belong to the Service—so what can you expect? You will also be told that they have been specially appointed as being business men. Can any one, knowing the attitude of mind towards trade prevailing among the “mandarin” class, who hold most of the higher positions in Government departments, feel anything but pity for those few business men in such departments who gallantly struggle against the deadweight of Service and Government indifference?

If we get a Minister of Commerce who is appointed on account of his business knowledge and efficiency, then these men will have a chance; meantime they work under great difficulties. Lord Fisher was appointed First Sea Lord of the Admiralty purely because of his knowledge of the work required. Does history record a single instance of the head of our Trade Department being appointed solely because of his knowledge of the trade and commerce of the British Empire?

It may be urged against the suggested reorganization of the Board of Trade that the present is not an opportune time at which to

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undertake such work, owing to the serious difficulties which have to be faced from day to day.

In this connection I would only cite the action of the Government in appointing as War Minister the greatest organizer in the British Army, *after* the outbreak of war, and in spite of the fact that his services had been available for a number of years, and for political reasons the nation had been deprived of the benefit of his universally acknowledged genius.

Our army was left under a civilian head, and the greatest change made in recent years in its constitution was carried through by a very able lawyer !

In the same way the question of altering the constitution of the Board of Trade has been brought before successive Governments, by the Associated Chambers of Commerce, business deputations, and through the Press, for many years, and nothing has been done ; and now in trade, as in war, we are at the parting of the ways, and are as well prepared for a Trade Campaign as we were for a World War on 4th August 1914.

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One cannot help being convinced that the majority of business men in this country are agreed that the best will not be made of the present situation unless the usual Government attitude towards trade is altered and the department in question thoroughly reorganized.

The Ministers suggested should be selected by merit and not because of party allegiance, on the same principle, for instance, as the Sea Lords of the Admiralty are chosen.

This country would not stand for a single day the selection and continuance in office of inefficient Sea Lords, and yet trade and commerce are as important to the well-being of the nation as an efficient Admiralty Board, for it is obvious that, without our great commerce and mercantile marine, there would be little use for a huge navy.

The work of the Board of Trade in safeguarding life at sea, travelling on railways, and the hundred and one other details to which attention is given is excellent, but should be entirely subordinate to what should be the main objective of such a department, the

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sympathetic fostering of the commercial interests of the nation.

It may be British, but it is certainly not business that the head of such a department should have been changed three times in the last year. It is manifestly impossible for any man, however able to impress his personality on such an office in a month or two, if at all, and the mere fact that this could happen is a condemnation of the whole system of party politics in relation to trade interests.

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The work of this department is extremely important to British commerce, for it is this office which has the appointment of commercial attachés and Consuls.

There are no doubt quite a number of good business men among commercial attachés and the Consuls, but how few business men there are, who, travelling abroad, get any good whatever from our Consuls. How different are the men we send out to those who represent Germany and the United States.

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Mr. Arnold White, writing in 1901,¹ says :

“ Where our shortcomings are most clearly seen is in comparing the class of men we employ with those employed by our great rivals, the Americans and Germans. The English Consuls in Berlin and Vienna are wealthy amateurs ; the German Consuls in London and Manchester are men academically trained in the science of national economics and are versed in every detail connected with the commercial life of the nation to which they are accredited.”

Again taking the actual Foreign Office list, he draws attention to the fact that out of 1120 Consul-Generals, Consuls, and Vice-Consuls there were 292 foreigners, among them 9 foreigners occupying the position of Consul-General.

Perhaps one of the most striking evidences of the inability of the Foreign Office to recognize what a commercial nation expects from its Consular representatives is the fact that up to about four years ago the British Consul-

¹ *Efficiency and Empire*, Arnold White.

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General for the German Empire was a German! The Foreign Minister who made such an appointment almost deserved to be tried for high treason as a traitor to his country.

Further, showing how slowly we have progressed in this matter and how much an awakening is needed, one reads in the *Manchester Guardian* of 14th October 1914 a communication from a gentleman who travels a great deal on the Continent, in which he says :

“The Government would do well to establish trained Consuls with a sound and practical business knowledge, working longer hours and receiving salaries calculated to make such positions worth striving for. *We should have only British subjects as Consuls on the Continent.*”

But what can we expect?—the Foreign Office is of all the Government departments the one most permeated with the spirit of “Red tape.”

Mr. Arnold White again says, “The Foreign Office, in spite of its ‘breeding’ and privileges,

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is cynical, archaic, and often worse than useless."

While admitting that this criticism is somewhat trenchant, surely a department such as this, where trade and commerce are looked upon as "vulgar," and the high craft of diplomacy is the ruling deity, is not the one to be entrusted with the important task of selecting the Consular representatives of a great industrial nation, when one of the most important duties of these Consuls is to report on the commercial position of the districts to which they are accredited. Any one who reads Consular reports cannot help being struck, in the majority of cases, by the absolute ignorance of the needs of British manufacturers displayed by the writers.

Why, because the duties of Consul are to a certain extent diplomatic, should British industry suffer for want of efficient representatives in various countries?

British Consuls have been known to tell callers who wanted some business information that it was not their place to supply it!

It would be unfair to blame the individuals,

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but surely one must sit in stern judgment on the system which is responsible for such anomalies; the system of nomination is to blame, and the British nation must insist on a change being made at once, in spite of Foreign Office opposition and Government apathy.

The diplomatic service of this country costs about £300,000 per annum for 160 members—nearly £1700 each per annum; the Consular Service, with about 1100 members, costs £93,436 per annum, less fees received by Consuls—£75,039—leaving a net cost of a little over £18,000 for the whole Consular Service of Great Britain, an average of £18, 10s. each per year. £18, 10s. !—if it were not such a serious matter for the country that this state of things exists, it would be laughable.

Where are our Members of Parliament? Is the Foreign Office so sacred that no one dare attack it? Has no Minister the courage to grapple with this serious subject?

If the Consular Service is so badly managed, what can we expect from the commercial

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attachés? Are they trained business men, and what is the basis of selection? Our military and naval attachés are trained officers, but what are our commercial attachés? What an outcry there would be if a civilian—a lawyer, for instance (Governments are fond of appointing lawyers to posts for which they are not fitted by training)—was sent as military or naval attaché to the British Embassy in any country, and yet any one with or without business knowledge is good enough to be commercial attaché. Trade is not a profession; it only pays all the professions! With all our democracy, all our loud-talking reformers, no one is bold enough in any Government to attack these abuses and insist on a sum being spent on the Consular Service, commensurate with its importance to the country. Yet plenty of trade and commerce is the main solution of all the unemployment difficulties which engage so much of the time of our leaders.

Surely business knowledge and an appreciation of the needs of the country should be among the first qualifications of a commercial

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attaché and a British Consul. Further, the Ambassadors and Ministers should assist in every way possible the endeavours of British firms to secure contracts or give them information which would enable them to compete on the best possible basis.

A very serious and important aspect of the disadvantages of our method of appointing Consuls is mentioned by Mr. Fred T. Jane.¹ Writing on the position of the naval side of the War, he says :

“Vigilance on the part of British Consuls all over the world in detecting suspicious supply craft and warning our cruisers is the surest method of capturing German corsairs. *Unfortunately*, in a great many minor places our Consular Service is represented by any handy foreign resident. In peace time this system is economical ; but war is indicating its disadvantages. A neutral cannot possibly be expected to throw the same energy into the business as a Britisher. I am inclined to think that one immediate result of this War

¹ *Land and Water*, 17th October 1914.

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will be a very considerable change in our Consular Service, unless 'Britain for the British' is to remain a mere empty chatword."

The Government can assist manufacturers in another way, by enforcing ruthlessly the Trade Marks Act; and if this is not strong enough at present, it should be made more drastic.

This is not an attack on the personnel of the Board of Trade or any Government department, but on the prevailing system, and on that environment in Government circles, perhaps best described as a contempt for trade, which seems to stultify all efforts at reform.

It would appear as if all civil servants get inoculated with a virus which seems to take from them all ability to realize fully the fact that we are a commercial nation, and that all our greatness in material things is derived from the successful pursuit of trade and commerce.

Every now and again we have a business man of genius at the head of a great depart-

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ment. What a difference it makes! Think of the late Mr. Joseph Chamberlain at the Colonial Office and his sound work; he was the embodiment of what is best in the middle-class business man; and in a lesser degree, when Mr. Lloyd George was at the Board of Trade, we saw practical reforms carried through in spite of the steady, if unobtrusive, opposition of the routine official.

That greater interest is being awakened in this matter is abundantly evident. An Institute of Industry and Commerce has just been formed, and many influential and business men are connected with it.

One of the objects of this Institute, as outlined at a meeting held at the Savoy Hotel on the 8th October 1914, is evidently the exerting of pressure in the direction of reform in our Consular Service.

Again, the *Manchester Guardian* of 16th October 1914 has a leading article on "The Organization of Industry," which is well worthy of notice, not only because of its excellence, but also because the *Guardian*, albeit in politics the most Radical of papers,

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is in its commercial views one of the soundest, and in a sense the most Conservative, of daily papers in Great Britain, and probably in the world.

In this article it specially draws attention to the need for manufacturers to be up and doing, in order to secure a proper share of the markets thrown open by the stoppage of German and Austrian exportation, so as to fill the gap caused by the loss of certain natural trade outlets. The leader goes on to say :

“The practical question is, how far is it possible by organized effort to improve our chances ?

“Much has been written in praise of Germany's Consular service and in disparagement of our own. There is no doubt that the German method on that as on almost every side of German official life has been more complete and systematic than ours, shown more attention to detail, and taken itself more seriously as an essential factor in the promotion of individual effort.

“ . . . The English method is, on this as

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on all sides, the reverse. It begins from the individual and builds up from him, the heavy artillery of the State only coming into action far in the rear."

Most of us think that the artillery is generally too late in coming into action, or is not heavy enough. Again :

"Can we readily and with good effect implant the German method on a commerce which has grown up in an English atmosphere?"

One might say truly, in spite of this frigid (Government) atmosphere. Again, and this is important, coming from such a source :

"Certainly we ought not to be above learning a lesson from our foes, and English houses of business, it is pretty generally agreed, might do well to imitate something of that pliability in studying the tastes of customers, even in small matters, to which the Germans are everywhere said to owe much of their success.

"If the newly formed Institute of Industry

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and Commerce ever brings organized wealth and the selected intelligence of the greatest industries to bear on methods of opening fresh doors to trade, it will command general sympathy, and we may be sure that *at a time like this* any representation which a body of business men has to make to the Government will secure a double portion of attention."

Appearing in such an important paper as the *Manchester Guardian*, the above article is of the utmost value as showing the trend of opinion. One cannot help suggesting that it should be possible to implant the best elements of the German methods on our commerce, particularly their collective organization, which, if grafted on our individualism, would forge an irresistible weapon for the nation.

We doubt much, however, as to the sympathetic help of the Government, in view of the general attitude of all our Governments in ordinary times towards trade and commerce, and all the *Guardian* says is an argument in favour of the reorganization of the Board

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of Trade and our Consular Service, which is urged above.

The words "at a time like this" are, however, significant, and give point to our argument that *now* is the time, from whatever aspect you may look at the question.

A writer¹ recently refers to the work of the Government in safeguarding the nations against financial disasters in the early days of the war, and goes on to say :

"Having begun the good work, the Government should go through with it and let the logic of their cause carry them on from the preliminary precautions against financial disasters to a methodical rebuilding and extension of our industrial system."

He continues :

"While we were ridden by the prejudice and jealousies of party politics we had to bear with what compliance we might the knowledge that many things good for the nation could not be carried into legislation, because they would have justified an election-

¹ *The Engineering Review*, October 1914.

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eering cry of one party or scored a victory for the other." And again—"For the moment the mixed colours of the Union Jack dominate our own politics. Nothing that is done counts as a triumph for a party . . . therefore again we say *now* is the time."

Another writer says in the same journal :

"Somehow or other the officials and politicians have missed the essentials of the problem," namely, how to make the most of the present opportunity.

THE PEOPLE IN RELATION TO BUYING

This is the other side of the purely national question so far as it affects the immense importation of specialities which can easily be manufactured in Great Britain.

In general the main idea of a British buyer is to purchase the cheapest article, given reasonable efficiency, at the lowest price, irrespective of origin. The same idea prevails in a great measure with the purchases of plant and material by public authorities, who use public money to bolster

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up foreign manufactures and, as has now been proved, have in this way been providing money to pay for the preparation of immense armaments by land and sea by Germany, who is now using them against us, and who has been declaring through responsible German writers for the past decade that the main reason for their armaments was the destruction of the British Empire.

It is a curiously British fact that while our public authorities have been considering home and foreign tenders they have bound down British firms to pay Trade Union rates of wages, and have accepted foreign tenders because they were cheaper, knowing that the British scale of wages would *not* be paid by the foreign manufacturer. This is British logic and fair play in trade!

Our Government also has been so tainted by this idea that large quantities of goods have been purchased even by our dockyards in the past from Germany, which could have been purchased here, had a wise national policy in trade been a part of the Government programme.

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No party is free from blame in the matter, and all this has been going on while certain of our politicians have been declaiming about the amount of poverty in the country, and one statesman, the late Sir Henry Campbell-Bannerman, stated publicly that there were 12,000,000 of people in this country on the verge of starvation.

Such a fatuous policy could only be possible in a country ruled by doctrinaire economists, and surely the catastrophe of this awful war, which is shaking the world to its foundations, ought to lead the level-headed people of the nation to put aside questions of free trade, fair trade, and protection, those terms which mean so little in themselves, yet seem to be costing Great Britain so dearly.

Let us develop a British Imperial policy, and let us realize the needs of our own people; let us buy British or British Dominion goods, even if we pay a little more for them.

The British people can well borrow some of the German methods and endeavour to think nationally and imperially.

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It was said recently :¹

“The central difference between the British and German nations in business is that while British buyers aim at the lowest tender irrespective of territory, the German does his best to keep work in the country. It is easy to see how this state of affairs operates for the benefit of the German manufactures in both markets. He is impregnable in his own territory, and the offer of surplus stock at a low price makes him irresistible in Great Britain. We hear a great deal about the protection to German manufacturers by formidable tariffs. In practice, however, these tariffs hardly operate at all. The really active safeguard is the almost religious determination of the German authorities to buy nothing but German goods. This has been the keystone of German prosperity.”

We can go further and say the German people have carried out this policy as well as the authorities, and if we are to safeguard our

¹ *The Engineering Review*, October 1914.

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present commerce and capture a proper share of the extra trade which is open to us now, there must be a combined effort of Government and people.

If the past twenty years of strenuous fighting against the German trade invasion, and the present attempt of that nation to destroy our Empire, do not awaken the patriotic spirit in Government and people sufficiently to destroy the cant of old political war-cries, then every patriot must fear the worst.

Practically all the import trade of the British Dominions is open to us, numerous factories can be employed in Great Britain manufacturing the specialities which have for many years come from Germany, and the friendliness of most neutral countries ensures an increase in the sale of our goods if we adopt a vigorous policy.

Will our people and Government rise to the occasion?

There is another way in which the people can help. Sir Owen Philipps recently stated that a very great deal could be done by

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British travellers to foster the shipping trade, if they would travel as much as possible in British boats. He stated that a very large number travelled in German boats; and—here lies the difference—no German would travel in any but a German boat if it was available.

If Englishmen would remember that by travelling in British boats they are helping to employ our seamen, assisting our great shipbuilding industry, supporting our national trade, and not merely putting money (as they fear) into the pockets of our plutocratic shipowners, we feel sure they would act differently. Of course it behoves our shipowners, on the other hand, to remember that the average Briton likes comfort, and, from what one knows, more consideration could with advantage be given to passengers on British boats.

The author does not intend to enter into a dissertation on economics, for which he is ill-qualified, but simply desires to suggest one or two ways in which the British people could advantageously help our trade and commerce.

BANKING FACILITIES

This is not the least of the factors which must be considered in connection with the attempt to induce our manufacturers to produce those goods which have been introduced into Great Britain in such large quantities for many years by the energetic agents for German manufacturers.

Our existing banking system is not sufficiently elastic to meet such a crisis.

In the early days of the war, the Chancellor spoke severely in Parliament of the unpatriotic attitude of certain banks, and threatened to give their names if there was not a change.

While we must admit that, generally speaking, our great joint-stock banks are managed on conservative lines, and are wonderful institutions from the mere dividend point of view, it is undoubtedly a fact that during the great crisis of the early days of the war they framed their policy exclusively to protect their own interests, irrespective of the national point of view.

The question of banking facilities is one

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that should be taken up now, as it is undoubtedly a very grave danger to the whole community that the cash savings of the nation, plus the current account balances, should be vested in the hands of a dozen men who control the banking of the kingdom.

These men are brought up in the traditions of banking ; their main objective is to secure the largest profit possible for their shareholders, and banking traditions do not seem to recognize any high responsibility to the nation.

The banks are very careful on all occasions to emphasize the fact that they are not "moneylenders"; their policy is to increase their deposits, decrease their loans, and make no bad debts.

The controllers of these institutions consider themselves magnates of the first order, and some have even gone so far as to threaten to oppose such a measure as tariff reform if introduced.

Further, our banks, by taking the line of least resistance in utilizing their deposits, have dealt to a dangerous extent in foreign

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Bills of Exchange, and in this way have been for many years financing our competitors, particularly in Germany.

The big sums deposited in these banks have been used in this way to too great an extent, and there has been a want of consideration for the requirements of legitimate British manufacture and commerce. Looked at purely from the point of view of dividend-earning companies, the joint-stock banks have done well for their shareholders in times of peace, but, regarded from the national point of view, they have to a large extent failed to justify their existence.

The British public, in pursuance of their usual *laissez-faire* policy, have assisted the aims of these autocrats by increasing their deposits, and aiding the silly competition which has been maintained as to which bank shall have a few millions more on deposit than another.

This financial policy did not protect the banks in the financial crisis which followed the declaration of war, as within forty-eight hours of that event all the banks had to be

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closed by means of an extended Bank Holiday, because, in spite of much advertised reserves and cash resources, they could not meet the extra demands anticipated.

There is no doubt therefore that under present conditions in banking the small trader and manufacturer desirous of supplying the demand for goods formerly imported from Germany will find increased difficulty in securing the necessary financial facilities.

Nothing has contributed more to extinguish the small trader and handicap the manufacturer than the policy of the banks during the past ten years. On the other hand, nothing has done more to promote the prodigious development of German trade in the same period than the enterprising policy of the leading banks of that country, backed by the Government.

All this appears to point to the necessity of Government control in connection with the banking interests of this country for the protection of the commerce of the nation.

It is possible in connection with the relations between landlord and tenant, and

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landowner and leaseholder, to appeal under certain conditions to a Government Board, and it would seem possible to establish a Board of Control as a continuous Court of Appeal in connection with the relations of the commercial community with the banking interest. The functions and limitations of this Board, the point at which automatically a misunderstanding between banker and customer should come before it, and all the infinite details in connection with the successful working, are mere matters of detail easily worked out by a representative committee of merchants with an advisory committee of men with financial experience and solicitors.

To the above Board an obvious objection to be raised at once is that a bank is a trading company entitled to the same protection as any other company, and entitled, therefore, to choose its own risks.

Having regard, however, to the enormous effect on the well-being of the whole nation of a proper system of banking, it cannot be held that banks hold the same position among commercial departments as other trades.

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As far as we know, the cry of nationalization of banks has never been raised, but it might be possible to solve the whole problem in this way. A commercial department might be established at the Bank of England, and guaranteed bank stock issued to the present holders of shares in the banks concerned, bearing a fixed interest of, say, $4\frac{1}{2}$ per cent. The amount of bank stock required could be regulated by the average dividends paid, say, during the past three years. In other words, the shareholders would be expropriated on a $4\frac{1}{2}$ per cent. basis.

A number of the present heads of our banks might well be retired on fitting pensions, and a Board of Control, selected from the banking community, established for the conduct of the "Commercial Department," the ranks of the Board being supplemented by a proper seasoning of representative business men of the highest standing, elected for, say, two years only, so that at regular intervals fresh sets of brains are brought to bear upon the ever-recurring problems in banking.

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Each of our large cities should contribute one or more representatives to the Board.

It may, of course, be held that the course suggested bristles with difficulties, and that by retaining our present system we shall have a body of financial institutions which give stability to our business community.

Presuming that nationalization is an impossible ideal, an obvious method of dealing with the problem of effective finance is the establishment of a great National Bank of Commerce, somewhat on the lines of the commercial banks of Germany.

To be effective such a bank must be Government controlled, and it might be established by an authorized issue of Government guaranteed "Trade Bonds," bearing 3 per cent. repayable at par, say, at the end of twenty years.

If an issue of fifty million pounds were made out of an authorized issue of one hundred millions, there would be available for loan to manufacturers and the trading public a sum sufficient for all immediate requirements.

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No loans should be effected at less than 5 per cent., so as to create a reserve of 2 per cent., viz. the difference between interest paid on the bonds and interest charged to customers; this 2 per cent. should cover the expense of management and provide a surplus to cover bad debts. Loans should be effected for terms of from seven to twenty years, a sinking fund being established whereby each loan would be automatically paid off within the period assigned.

Such a bank would need to be run under the ægis of the Bank of England, with a special Board of Directors elected every two years from the ranks of the leading trades throughout the kingdom.

Members of this Board might be nominated by the various Chambers of Commerce, Trade Federations, and a certain number by various institutions, such as the Institution of Mechanical Engineers, Institution of Engineers and Shipbuilders in Scotland, and other kindred societies.

Deposits should be invited and interest paid, rates being regulated in the usual

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manner. No doubt these deposits would gradually accumulate to such a figure as to do away with any further issue of bonds, and it is quite conceivable that the first issue of "Trade Bonds" would not require to be replaced, but that all the money wanted by the bank would be provided by the public themselves.

There is no doubt that, unless capable and energetic men are able to go to a common-sense Board and reasonably expect the financial assistance necessary to develop on legitimate lines a sound enterprise, we can never compete adequately with Germany, after the war, in those specialities which the Germans have made peculiarly their own.

Such a bank, properly and sensibly managed from the national point of view, would encourage manufacturers to lay down plant in order to produce those commodities in which the Germans have built up such a huge business in this country.

Without sympathetic support it is difficult to see how our people can be expected to do what is asked of them.

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One great advantage of such a bank would be that, being in competition with the joint-stock banks, who might see a lot of their business going, there would be an incentive for these institutions to develop a more generous and national policy. Thus the whole country would benefit.

This is undoubtedly the most difficult banking problem we have to solve; there are many who hold that it is just in their banking policy that the Germans have come a cropper.

However that may be, there is no doubt but that the wealth of the German people has increased enormously during the past two decades particularly, and we cannot think that this wealth has been built up on a banking system inherently bad.

It has already been stated that State banks savour too much of Socialism, and some time ago, at a meeting of the Sales Managers Association, one of the speakers¹ strongly deprecated State control of banks; he seemed to think that the business community must rather insist on the general manufacturing and

¹ Mr. Arthur M. Samuel of Norwich.

trading interests of the nation being more strongly represented on the directorate of Banks. He drew attention to the fact that the Directors of the Bank of England, for instance, were mainly financial men pure and simple.

One cannot see, however, that his remedy is likely to be effective.

His idea was that the business community should insist on the directorate of Banks being remodelled so as to include a larger percentage of men interested in trade and commerce. That is, of course, very sound, but how is it to be accomplished? Does any one, knowing our banks, think that any pressure of public opinion will alter their policy? Further, there is no doubt that, however much business men at the moment may be enthusiastic about these reforms, there is an inevitable tendency as things get busier for the pressure of unorganized effort to slack off. If, however, manufacturers insist that their Chambers of Commerce, Trade Associations, Federations, and various other similar bodies petition Parliament regularly

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to establish a National Bank of Commerce, there is a reasonable chance at the moment of something being done, and with a Board of Directors interested in trade and commerce, such a bank should be of great value. This talk of Socialism is beside the point, and by dragging in this catchword, the securing of the necessary facilities is rendered much more difficult.

Our existing banks will only yield to compulsion, and, if that is inadvisable, the only way seems to be to establish a properly constituted State-controlled Bank of Commerce, with branches all over the country.

THE MANUFACTURING AND TRADING SIDE

This should be looked at from two aspects — Labour problems, and the British manufacturers' ability to manufacture cheaply, and organize an efficient sales department.

If the special lines of trade in which Germany has done such a large business in this country are to be captured, it is essential that our people who undertake the supply

should organize their business so as not only to supply the home market, but also to capture a large portion of the trade in such goods which Germany has in the past secured in the British Dominions, South America, and other countries.

Let us consider for a moment the Labour problem.

This is one of the most serious considerations which the manufacturer has to face when starting a new factory.

In the first place, skilled labour is not inexhaustible, and, again, it is highly organized.

In these days practically all the best workmen are to be found in one or other of the numerous Trade Unions, and some of the ablest men in Great Britain are engaged in perfecting the organization of these bodies.

From the national point of view, labour is on its trial ; the struggle for better conditions and higher wages has resulted, quite naturally, in both the leaders and the rank and file losing sight of the great principles underlying national life.

There has been a lot of talk of the common

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International interests of labour, the ability of united labour to prevent war, and other dreams have been indulged in, which the great war has shattered, leaving the dreamers in many cases face to face in the battle line.

What will labour learn in all this? We hear of whole regiments being formed in colliery districts, and within about sixty days of the declaration of war, about 1,000,000 men representing all sections of the community enlisted, and these men will eventually in all probability be fighting their brother workmen in Germany and Austria.

In Germany the great social democratic party are whole-heartedly supporting the Government; thus the spirit of nationality has proved once more to be infinitely stronger than any artificial bonds.

Is it too much to hope that British labour will emerge from this titanic struggle with higher ideals and a better appreciation of what Britain and the British Empire stand for in the world?

The men will share in the trenches and in the field the dangers of warfare with their

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officers, who in many cases will be those terrible plutocrats, their employers!

A spirit of comradeship will prevail, such as is impossible in industrial life, when each party is credited with a desire to get the best of the other.

A great responsibility will rest on the Labour leaders, when the war is over, to assist in promoting a better understanding between employer and employed.

If Britain is to secure a due share of the new trade avenues opened up by the war, there must be a proper co-operation between capital and labour, and a more sympathetic understanding of their joint responsibility to the nation.

Both parties must realize this, if success is to be attained.

Few will deny the right of labour to a proper return for work, but there must also be a realization on the part of Labour of the difficulties of capital, and of the importance in all industries of proper organizers.

Too frequently the "red herring" of Socialism is drawn across the track, and all

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just appreciation of the reasonable relations which should exist between the two parties is lost in a Utopian dream.

The attitude of the skilled workman towards co-operative schemes, which are evolved from time to time, has undoubtedly been a disappointment to all patriots, and engendered a sense of hopelessness in respect to a reasonable settlement of the relative claims of Labour and Capital.

Such an attempt, for instance, as that of the late Lord Furness at West Hartlepool would seem to have deserved a better fate.

The right of workers to claim decent living conditions cannot be disputed, and the landlord or other party, who stands in the way of the fulfilment of such reasonable desire, should be swept aside by the State with little consideration and allowed no unearned increment.

A contented people should be the supreme aim of all Governments, and individuals, while they have their rights, should not ultimately be allowed for sheer greed of gain to stand in the way of the good of the majority.

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Suitable surroundings ensure that the young, who are the future citizens, are reared under conditions which will assist in making them worthy elements in the State, and not discontented iconoclasts, and such conditions should not be the perquisite of any particular class.

That manufacturers are recognizing this fact to a greater degree is abundantly evident in the great care which is being taken in building new works to have them large and airy, and situated, when possible, amid pleasant surroundings.

This is good policy, as undoubtedly light, airy, and healthy premises help to make the workers contented and cheerful; as a result, disputes are settled much more easily.

We can only hope that one result of the war will be to induce more pleasant relations between Capital and Labour, and that the workmen will assist in developing a national policy in trade, with the same enthusiasm as they have met the call of the great war.

The war should tend greatly to discount the influence of such freakish politicians as

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Keir Hardie, friends of all countries but their own. One wonders how he feels with regard to his dear friends, the enemy, now, especially those perfervid believers in the brotherhood of labour in Germany who have been hoodwinking our honest British labour idealists for so many years.

It is interesting as a sign of the times to read the circular issued in October by the General Secretary of the Association of the Iron and Steel Workers of Great Britain, in which he outlines the duty of the members during the war. That duty, he states, is to beat the Germans in the industrial fight.

“Employers are throwing themselves into the great fight of capturing German trade. Without our efforts their struggle will be useless—we must both win! No throwing down tools, no stopping away from work. Every reasonable difficulty can and will easily be dealt with by and through our Association and wages Boards—but they must be real!”

If this is indicative of the attitude in the present crisis of Labour leaders and Trade

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Unions, we can view the future with great hopefulness.

Again, Mr. Vernon Hartshorn,¹ the hot-head among Socialists, is interesting when he writes :

“The fight against German militarism is one of life and death for the Labour and Socialist movements of Europe. If the twentieth - century Attila and the brutal military caste by whom he is supported win this war, the vigorous and rapidly growing democratic movement in Great Britain and France and the struggling efforts of the pioneers of democracy in backward Russia will be strangled by the inhuman ruthlessness which has elevated ‘frightful suppression’ into an ethic.”

Very interesting from a man of great influence among the miners in such a district as South Wales, but what about a Citizen Army? Is it not to a great extent due to the opposition of the Labour leaders or their want of sympathy that no progress has been

¹ *The Clarion*, 16th October 1914.

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made with a system of universal service, or a substitute for it, such as Mr. Hartshorn and those who follow him would support?

So much is this the case that no responsible party leader has dared (bearing *votes* in mind) to advocate any system of universal service as a party policy.

Do these leaders *now* realize what has saved the Labour movement?

Has it been international brotherhood or the deadly superiority of the British fleet, the increase of which has so often been opposed by the Labour party?

Let us hope that out of this welter some more healthy conception of the duties of citizenship from the national point of view will be evolved.

The appointment of a Minister of Labour, as suggested, would, we think, go far to bring about a more friendly feeling between capital and labour, and be only a just recognition of the claims of that large section of our people on whose work our prosperity as a nation so largely depends.

THE BRITISH MANUFACTURER

Allowing for possible reorganization of the Board of Trade, increased banking facilities, and better labour conditions, we still have to come ultimately to the consideration of the manufacturer, his methods, his enterprise, and his sales organization.

British manufacturers and traders have had many hard knocks during the last twenty years, and there is undoubtedly a greater recognition to-day, among all classes of traders, that old methods and ideas are not necessarily the best, but this recognition is of very slow growth.

The export trade of this country has steadily grown from a value of £244,080,577 in 1870 to £525,245,289 in 1913, but German export trade has grown from a value of £114,000,000 in 1872 to £496,482,000 in 1913; thus, while British trade has considerably more than *doubled* in value, German export trade has more than quadrupled, and would probably, had there been no war, have

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equalled or passed the British total by the end of 1914.

This is a very serious consideration, and there is grave need to get to the bedrock reason for such a state of matters, and, having found it, to take drastic measures to remedy it.

There is no doubt that increased efficiency is still needed; many trades are too conservative, and do not sufficiently take to heart the lessons of the past. Sheffield still relies too much on the quality of its cutlery, and Manchester on its fame for machine tools, without taking into due account the phenomenal progress of Sollingen and Chemnitz.

Again we cling tenaciously to our antiquated weights and measures, and refuse to adopt the decimal system; if the manufacturing section of the nation demanded this reform they would force the hands of any Government, but they do not push it with any unanimity.

In sales organization the defects of our people are most manifest. Catalogues for

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South America, for instance, are still in many cases printed in English ; there is a want of pliability in studying the details of the needs of buyers in different countries, in fact too great insistence on stock patterns and sizes.

Travellers are not sent in sufficient numbers to such markets as South America, Canada, South Africa, India, and Australia, and insufficient attention is given to the great necessity of travellers knowing the language of the country to which they are sent. This is specially the case with regard to the countries of South America, although, as has been urged again and again by those who know, it is impossible to get business in these countries unless you can speak Spanish and for Brazil Portuguese.

The Germans have excelled in collective effort, as, putting aside altogether Government and Consular aid, the manufacturers have developed a collective policy, which has resulted in immense orders being obtained from time to time, such as could not be touched by individual British firms working alone.

There are indications that this is being

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more fully recognized by the more far seeing of our people, and trade associations are being formed, some primarily for the home market, such as the Machine Tool Association, and others in connection with export trade, for instance the British Engineers' Association, who devote special attention to the Far East, the Institute of Industry and Commerce, and the latest—the newly formed Entente Trade League—established with a view especially of cultivating closer business relations with our Allies, and fostering a sentiment in favour of purchasing British Empire goods and of trading only with our friends among other nations.

Some attempt has also been made to form trading companies for certain countries, such as the Anglo-Siberian Trading Co., which is developing trade with the Russian Empire, and represents a number of engineering firms for that market.

These companies have of course their direct representatives in the countries with which they do business, and in many cases keep a considerable staff there.

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All this is good, if only sufficiently extended.

It is difficult to believe that our American friends would have monopolized Canadian supplies, in various branches of trade, to the extent they do, if British firms had established associations of allied Trades, having stocks and travellers in Canada for the purpose of securing a proper share.

With a duty preference, our people have had a splendid chance, and the possibility of doing good business in Canada, by proper attention to Canadian requirements and up-to-date organization, has been immeasurably increased by the Imperial solidarity established by the war.

Australia is another case in point, and those firms who have had the enterprise to study this market have done good business in the past. Still, German trade there has increased more rapidly than British, in spite of the preferential tariff. If these possibilities have been present in the past, what of the present and future, when Germany is and will be the most hated nation in the world,

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when buyers in our dependencies are anxious to buy British goods, instead of German and Austrian, and not only have we our own Empire more open to us than ever, but we have unique opportunities in France, Belgium, and Russia of securing the business which the enterprising Teuton has so laboriously built up. The goodwill of these nations will undoubtedly be, if taken advantage of, immensely valuable to our traders in these countries.

All the kindly feelings engendered by the stern struggle side by side against the common foe, as well as the bitter hatred of that enemy, will work for us if we are wise in seizing the opportunity. Britain has shown that she stands by "scraps of paper" and recognizes international obligations, and has stood alongside her allies, strong for liberty and justice and the rights of small nations.

Now is the time for the Government, the banking interests, and the people to show where Britain also stands, in trade and commerce.

III

MILITARY POSITION

Old distrust of army—Cowering behind the navy—Lessons of the past—Duty of democracy—Swiss army system—Universal service not Conscription—Example of Canada—Selection of officers.

A DISTRUST of militarism is engrained in the British people ; it comes down through the ages as a result of the long fight for freedom against her kings and nobles.

Soldiers were always considered the possible means of the oppression of the people by the rulers. In more modern days there has been added to this old distrust a varied mixture of beliefs and opinions, among which will be found an objection to war as an evil thing in itself (albeit we are almost always at war somewhere), a belief in the evils of conscription, a more or less fatuous faith in the Fleet as our sole defence, and the desire of the

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people to go on quietly making money, paying a professional army and a professional navy to fight for the country.

The same people who fight for trade with their competitors, and struggle to get the better of them in every way short of actual violence, seem to ignore the fact that, when such competition takes place between nations, the probable result is war, when one nation feels strong enough to grasp by violence a trade or other advantage over another.

All history teaches this fact, yet during the past ten years we have beheld in this country the spectacle of many of our public men, many of those who go to make up the best elements in the life of our country, assuring us that all was well, our army sufficient, our navy all-powerful, and our great rival, Germany, building a large fleet and increasing its already powerful army, merely with the benevolent intention of maintaining peace!

Our greatest General, whose life-work for his country is one of the most fascinating pages of our history, pleaded with the nation the necessity of increasing our power to

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defend Britain's shores. In vain this famous soldier endeavoured to stir up the people to a proper recognition of the duty of maintaining a force sufficient to guarantee our liberties if required. On his part it was only a patriotic duty ; he had no honour to gain, as the highest rewards the nation had to give its renowned servant had already been showered upon him.

What is the reason that this patriot's appeal fell on deaf ears ? What were the forces opposed to his reasonable scheme of universal service, akin only to the service willingly given in the democratic Swiss Republic, and in no sense intended to be conscription on the German principle ?

Many of our best and most enlightened public men privately supported his scheme, but in the main the nation was unmoved.

It is in the answer to these questions that we must seek the possible remedy for this fatal inertia, and also our hope for a greater and more glorious Britain.

Various factors militated against the proper recognition of our needs. We are in many ways a short-sighted people ; we could not see

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as a people why any one should want to attack us, and in spite of many ominous signs in the German trend of thought, in spite of naval rivalry, and in spite of statements as to the mission and destiny of Germany, we sought by Anglo-German friendly societies, visits of workmen, interchange of visits of the press, clergy and other bodies, to prove the amiable feelings which existed between this great Empire and ourselves.

Certain of our writers informed us that war could only exist for a few days owing to the effect on finance, and Norman Angellism became a cult.

All the time, as we know now, our Teuton friends were planning and organizing for the world war which was to fulfil their destiny, and the ultimate end of their policy was the crushing of England and wresting from this innocent country, with its pacificism and other isms, our Colonies and our trade and commerce. But there were many other elements in the resistance to such a scheme; the old distrust of militarism was accentuated by a class prejudice. Many of those who supported

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universal service belonged to the Tory aristocracy, and therefore the democracy, as represented by the lower middle class and the Labourists, saw in it an attempt to increase an army which was to be officered by the upper classes, and not a Citizen Army, like that of Switzerland or the Canadian Militia.

One patriotic socialist, Mr. Blatchford, warned the country of the German menace, and advocated universal service in the form of a Citizen Army, in which the officers should not be necessarily drawn from one class, as is practically the case at present.

No one can deny the magnificent fighting qualities of our officers, as shown in the great war now progressing ; no one can deny their influence over their men, and the admiration the privates have for their leaders. But democracy is to-day hammering at the gates of all departments of our life, and will not be denied.

If Britain is to maintain her position as a great power, an Empire where liberty in the main reigns supreme, patriots in all classes must sacrifice something for the common good ; the "high born" must recognize the

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right of efficient democracy to lead battalions and armies as well as fight in the ranks. Statesmen, assisted by the best military brains in our country, must devise a scheme of compromise between the claims of the upper classes that to them alone belong the leading positions, and the claim of democracy to have its chance of supplying its quota of leaders.

It may well make every lover of our dear England fear for his country if these warring claims cannot be reconciled, for it is on this basis, and this alone, that the democracy of Great Britain will consider universal service.

There is no place in the consideration of these questions for the pacifist and the doctrinaire economist, who declare all war to be wrong. All these faddists must be swept aside by a people determined to prevent such a catastrophe as the present war coming again on them unawares and finding them unprepared.

The Labour party has seen its dream of the brotherhood of nations shattered; the aristocratic officers of our army will see the Dominion troops, with officers and men of the

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same social status, fighting as bravely and handled as well as our best regiments, and out of all this must come a healthier ideal for the nation.

It must not be forgotten that militarism in its most objectionable form will not be killed by the victory of the Allies; it will only be scotched, and will at some time or other raise its head again, and if this generation does not recognize its duty, with the lesson of this war before it, future generations will have reason to call it accursed and purblind.

No nation can continue to be great if its citizens will not recognize the obligation on all to defend their liberties, hearths, and homes, and not cower behind their professional fleet and the fighting powers of the few who volunteer.

If democracy cannot meet this crisis and solve the difficulty satisfactorily, then it is a failure. We must have some insurance against a similar state of unpreparedness in the future, and this generation must devise its form, in the light of the experience it has bought so dearly in blood and treasure.

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Surely, with the knowledge so gained and the assistance of a born organizer like Lord Kitchener, we can devise a system suited to our needs, and at the same time acceptable to the general body of the people.

The Swiss Army has been frequently mentioned as a model of what we want, and it might be well to consider for a moment what this army is and what it is intended to do.

The Swiss are a very democratic nation, not unlike in many respects the British. Neither people believes in militarism as exemplified by the continental conscript system.

The Swiss probably have the best Citizen Army in the world—and so much is the idea of universal service a part of the life of this freedom-loving people that a Swiss friend, who has supplied the author with data as to its organization, stated that it is looked upon as somewhat of a slur on a Switzer when, through defective eyesight or for some other cause, he is not accepted for training.

There is, of course, no regular army in Switzerland, but every able-bodied man on

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reaching the age of twenty has to undergo military training, and up to the age of thirty-two is in the first line or *Elite*, up to thirty-eight in the second line (*Landwehr*), and up to fifty in the third line (*Landsturm*). Officers have of course to serve longer.

The *Elite* has first to go through an *école de recrues*, lasting, according to the arm (Infantry, Cavalry, or Artillery), from ninety to one hundred and five days during the first year, and then to put in fifteen days of actual service per annum during the remaining years.

The *Landwehr* has to put in from fifteen to twenty days' service in all, the *Landsturm* ten to fifteen days' service. In addition to this service, there is compulsory shooting practice and army corps manœuvres, lasting fifteen days every year, in which only a part of the army participate, one or more army corps being called out.

The Officers Corps are to a great extent constituted on the German model. All officers have, however, first to serve in the ranks, from which Corporals are selected after the first *école de recrues*, and the men

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selected each year have then to go through a second *école de recrues* as Corporals.

After that they may offer themselves voluntarily for further promotion, as some private means are considered necessary to go on as officers. Afterwards they go through special training, and attend with each new rank an *école de recrues* in their new capacity.

Should an insufficient number come forward, the cadres are completed by compulsion.

Promotion is first governed to a great extent by the amount of service done, but the higher commands are chiefly conferred by merit.

There is no permanent staff of officers except those in the administration, and the instructors or training officers who make a profession of it.

The Government provides all uniforms and arms, which are afterwards left in the custody of the men, who keep their outfit and rifles at home and are responsible for them, although they remain the property of the Government.

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The cavalry can buy their horses at about half-price from the Government, but cannot afterwards dispose of them.

The artillery is considered quite efficient, and consists of fortress, field, mountain, and horse artillery. There is also a flying corps.

In this way Switzerland, with a population of under 4,000,000, secures a Citizen Army of well-trained men numbering from 350,000 to 400,000 at a cost of about £2,000,000 per annum, and it is intended for defensive purposes only, the entire strategy being based on the safeguarding of the much-prized liberty of the country.

In the opinion of experts this army is capable of giving a good account of itself, against the best conscript forces.¹

¹ The description of the Swiss military organization given above is correct in its main points, in respect to that organization as it existed up to 1907. In that year, however, the period of service, particularly for the "Élite" or first line, was increased and other alterations made.

For the purpose, however, of the argument of the author in favour of a compulsory Territorial force in Great Britain, the illustration of the Swiss organization prior to 1907 is valuable, and more in accord with British traditions.

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It may be urged that Switzerland, with its exposed frontiers marching as they do with Italy, France, and Germany, requires such an army to maintain its neutrality, and that there is not the same need for such a force in Great Britain. Against this argument it may well be stated that while Great Britain enjoys an immense advantage from its insular position, and in having a powerful fleet, on the other hand the extent of the Empire calls for special means of defence. There is no doubt that in recent years the necessity of maintaining such a large fleet in home waters has resulted in the far-away sections of the Empire being neglected, and in the Mediterranean fleet being unduly depleted.

This is another argument for the Citizen Army which, by ensuring the safety of our shores, would release our Fleet for its proper duty, the policing of the seas, and enable it to visit at regular intervals all parts of our far-flung Dominions, and to support our trade by appearing more frequently in foreign waters.

This is merely the material side, but there

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is a higher principle involved. All great nations must be prepared to defend their liberties and institutions, and no nation more than ours, as the great possessions which we hold in trust provoke, at times, a jealous envy which, while from our point of view unjustifiable, may be quite natural from the point of view of other nations. Again it is rightly urged that the defence of a country should not rest on volunteers alone; all equally enjoy the privilege of British nationality, and all should equally share in its responsibilities.

All the nations of the world who have fallen from greatness, showed signs of decay by first depending for their defence on volunteers from the bravest of their people, and later by depending on mercenaries.

One might, in this crisis, ask every Briton to take to heart the words of the great Athenian, Demosthenes :

“Yet, O Athenians, yet is there time!
... Cease to hire your armies. Go yourselves, every man of you, and stand in the

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ranks; and either a victory beyond all victories in its glory awaits you, or, falling, you shall fall greatly and worthy of your past."

The late Professor Cramb, in his brilliant lectures,¹ gives a wonderful word-picture of the death of Captain Scott among the Antarctic snows, and draws comfort from the last words in the diary of this great man, written just before he died. He says, "And what are the thoughts that then flicker in front of him? We know them, we have them written in his own hand in that priceless record, priceless because authentic :

" 'The greatness of England—my nation.'

"It is the greatness of England which uplifts him as death steals over his features like a marble mask."

Is there not an inspiration in the death of this man for our British youth? Is there not here a theme for that great leader for whom we wait who will rouse this people out of their sleep?

¹ J. A. Cramb, *Germany and England*.

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“England—my nation.”

What does it stand for to-day—comfort, money-getting, games, luxury, indifference to others in too many cases, all symptoms of a want of ideal.

In the aggregate we stand forth as possibly the greatest champions of liberty the world has ever seen, but is it not the case that individually we have been deteriorating?

What will the present upheaval with its shattering of many illusions do for us? Will the man arise who can lead the awakened spirit of Britain to follow its proper ideal and bring about a better appreciation of the mission of the nation?

There must also be a *humble* appreciation of that mission. We have much to answer for, but surely we are not going to pin our faith in future to those leaders who have so little gauged the soul of a great nation akin to us in blood and race.

Let the nation, while following high ideals, realize that war is the touchstone of its manhood.

All nature is full of warring influences.

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Can any sane people believe that war will cease?

As stated, the great essential in Great Britain is to reconcile two opposing forces—the aims of the aristocracy and the aims of the democracy—if we are ever to get a reasonable system of universal service, or in other words a force adequate to defend our Empire, our freedom, and our civilization.

Already the one party is shouting, “What did Lord Roberts say? Was he not right?” And the other proudly points to the enlisting of about 1,000,000 men in two months after war was declared, none of whom can shoot or drill—as evidence of the strength of the voluntary principle! There you have the whole difficulty, and here are the two forces which have to agree to a compromise.

If the aristocracy and the extreme Radical and Labour interests will agree, the other shades of opinion can be ignored. But will they? Here is a chance for those whose ancestors forced the Magna Charter from an unwilling king in 1215 to find in love of country a common ground for working alongside those

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whose ancestors, one hundred and fifty years later, rose in revolt, and whose miseries were set forth in the classic pages of *Piers the Ploughman*.

There is no doubt but that the aristocracy in this country form to a large extent a military caste as objectionable in many respects as the Prussian Junkerdom, though without the callous brutality which seems to characterize that body. The democracy will never agree to universal service if the army is to be dominated by that caste, brave fighters as they are, and if the aristocracy are true patriots they will frankly meet the position as it is, for Britain's sake.

On the Swiss basis we should get about 4,000,000 men from our 40,000,000 population, but as we must maintain our regular army, amounting with reserves to about 350,000 men, it is reckoned by the Universal Service League that 1,000,000 men would be sufficient for our Citizen or Territorial Army ; so under this system we should have four men from whom to choose one. The posi-

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tion might be met by balloting, and under proper arrangements, to ensure that we get the most fit men, the one who is chosen by ballot might be allowed to buy exemption from service for a certain fixed sum, half of which would be paid to the substitute and half to the State, but the principle of universal service should be maintained and be enforceable should occasion arise.

It has been argued by the opponents of compulsion that the cost of this army would be an immense extra financial burden on the country, but the Swiss get about 400,000 men for about £2,000,000 per annum, which proves that the late Lord Roberts was right when he estimated the cost of maintaining a Territorial Army—which will amount to 1,000,000 trained men when mobilized—at from £4,000,000 to £6,000,000 per annum. This need not be entirely extra expense, as it is considered that by having a large Territorial Army properly equipped and trained, and thus ensuring ourselves against any possibility of troops being landed on our shores, we should not require to spend such

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immense sums on our navy, and would further be able to use our naval forces to the best advantage, without of necessity being compelled to keep a very large fleet based on home ports to prevent invasion.

As we have said the great difficulty is to get the British democracy to accept any system of compulsory military service, and their objection is mainly based on a dislike to the possibility of our having a larger military caste as a result of our drawing our officers principally from the aristocratic and moneyed classes.

How can this objection be met?

It may not be possible to adopt the Swiss system *in toto* for our compulsory Territorial Army, but surely a reasonable compromise would be to arrange that a fixed percentage of our officers should be drawn from the ranks, and that in each year a certain number of men drawn from the lower middle classes and labour circles should be eligible to enter for an examination which will admit them to one of our officers training colleges. Each year a certain number of entries should be

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competed for in this way, and the education of the successful candidates should be a charge on the State. From this would follow the necessity of more economical mess arrangements, a discountenancing in the higher ranks of the Army and in the highest quarters of that particular form of snobbery which is exemplified by the expression "an officer and a gentleman," the word gentleman being restricted in its meaning so as to apply only to a certain social status.

No one could help being impressed by the splendid troops sent by Canada and Australia to fight the Empire battle in France ; and to many in this country not the least extraordinary feature about these forces was the fact that the officers and men were not separated by the strict class division which to such a large extent prevails in our army.

It was remarked with some wonderment that in many cases the officers and men, when off duty, went about together, and when the officers were asked if this was not subversive of discipline, they stated that on duty the strictest discipline was maintained, but when

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off duty the officers mixed freely with the men with no ill results.

It may not be possible to apply the same system in its entirety to our compulsory Territorial Army, but there is no doubt that if we are to have the trained men we require, more attention must be given to this matter.

The need for Britain is great, and it must be met in a drastic manner.

In such a force as we have outlined it would be possible to develop the system which has proved so valuable in recruiting for this war of forming whole regiments and brigades from men of more or less the same social status—regiments of colliers, engineers, clerks, warehousemen, etc., so that those in the same regiment or brigade would be more or less kindred spirits.

One must hope that the statecraft and military genius of the nation will find a satisfactory solution of these difficulties, and, having found a reasonable scheme, will force it through with a ruthless disregard of faddists and privileged classes in the in-

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terests of the nation and Empire as a whole.

In this connection one cannot do better than quote from an article in the best of our Empire quarterly Reviews.¹

“In resolving to fight the great struggle against autocracy and militarism to the bitter finish, whatever it may cost in men and money, let us also resolve to face more thoroughly than we have in the past, what our stupendous responsibilities as guardians of a system which gives peace and opportunity of self-development to one quarter of the human race, entail.”

¹ *The Round Table*, September 1914.

IV

POLITICS OF TO-MORROW

Frenzy of party politics—Broader views—Democracy and the future—Duty of leaders—British party—Less parochialism.

A PHILOSOPHER, observing the vagaries of our party politics, must often be inclined to say "what fools these mortals be."

To one who does not understand the British people, the ferocity which characterizes our party politics and the apparently irreconcilable views of our two great parties must be amazing, and that this is the case was abundantly proved by the entire misreading of the position in Great Britain by the late German Ambassador.

To the student of British history, however, the question is not so difficult, as he sees in all the record a certain consistency and a slow growth of more democratic Government,

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with an increased care for the interests of the bulk of the people ; but still how slow this growth of reasonable liberty has been, and how often does the patriot see great national aims and needs trampled under foot in the fury of party politics in order that one side may score a point off the other !

One remembers some years ago a short notice in the papers to the effect that " The Pure Milk (Infants) Bill " had been withdrawn. This was a measure approved by all parties and intended to safeguard the interests of thousands of infants, future citizens of our country. The idea was to ensure the infants getting proper sustenance, and it was stated that it would probably save the lives of many thousands of these innocents and give greater strength to the fittest.

It was crowded out by the exigencies of party politics to allow some measure which affected votes to pass.

This is party politics at its worst—and neither party is free from this fatal tendency.

Again it took this world war, fraught with unparalleled issues for our country, to bring

about a truce in the Irish controversy, and even this life and death struggle did not deter the leader of the Conservative party from stating in the House that if the Government of the day, after the war, pursued its present Irish policy, there would be civil war in Ireland.

It all seems so petty and pitiful. What is this Irish question? To the unbiassed mind it would seem to be a claim on the part of a minority to rule a majority, because that majority is Roman Catholic.

The basis of the British party system is that majorities rule, and yet one great party in the State shows itself willing, in words at least, to back up civil war, to prevent the majority ruling in Ireland, while Ireland pours out its best blood, Protestant and Catholic alike, to resist the unscrupulous aggression of a military State which is threatening the very existence of the Empire.

What an example to our Dominions of the wisdom of the Mother Country!

In these Dominions under the same king, Catholics and Protestants live in amity, and in one province, Quebec, the majority is

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Catholic and the province is self-governing. One does not hear that the Protestant minority is oppressed.

But again the Irish Nationalist party must also realize what Britain expects, particularly that large majority which desires justice for Ireland.

A friend of the author, a Scotsman, writing from Dublin in October last, stated that he had just been at a house of entertainment where he had heard the "Death's Head Hussars" of the German Army cheered and the King of Great Britain and Ireland hissed. Again it is not creditable to Ireland that when Mr. Redmond and other Irish Nationalist leaders conducted a recruiting campaign after the passing of the Home Rule Bill, the response was so poor. A violent campaign against recruiting was conducted by the Sinn Fein movement, which went far towards neutralizing the efforts of the leaders. This movement even went the length of endeavouring to tamper with the loyalty of our Irish soldiers, and was supported by three or four papers. Ample funds

seemed to be at the disposal of the propagandists ; so much was this the case that one might believe it was true that the movement was financed by Germany !

The latent hostility to recruiting displayed by the Roman Catholic Hierarchy also augurs ill for the establishment of proper relations between self-governing Ireland and the rest of the Empire. If Ireland starts on its path as a self-governing unit of the Empire by refusing to defend whole-heartedly Imperial interests, for which even the Red Indians of Canada are fighting, they will justly deserve the stigma which is attached to all traitors ; and the Hierarchy, in not stirring up the people to fight, if only to revenge the crimes committed against Catholic Belgium, will incur the reprobation of the whole Roman Catholic world.

The Irish people must realize better their duties as citizens of the British Empire. Such incidents only strengthen the hands of the reactionary elements in British politics, and alienate the sympathy of the friends of Ireland in Great Britain and the Empire generally.

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What we want is more independence in our leaders, less violence in party controversy, more appreciation in Government circles of the need of British industry.

We must have in the future less talk of the old shibboleths, more broad-mindedness in our politics.

If trade and commerce, for instance, are fostered, unemployment will automatically decrease; if the manufacturers benefit too, why not?

To attain these ends there must be better education, a greater attention to patriotic teaching, Governments must not discountenance the display of flags on Empire day, but rather our leaders must take advantage of such occasions for thoughtful addresses on the mission of the nation, in an endeavour to secure a better appreciation among all classes of our Imperial mission.

We want our young people to be taught the duties of citizenship, and not to have before them again the lamentable spectacle of our statesmen on both sides studiously avoiding a pronouncement on such a subject as

universal service (except in some cases to abuse it) when they *knew* full well that it was a necessity for the full protection of the British Empire and all it stood for. In some cases at any rate this policy was due merely to the fear of loss of votes—votes forsooth! when the existence of all we hold dear was at stake.

We want a *British* party to heal the wounds caused by this war, to see that all the splendid bravery of our sailors and soldiers is not lost to the nation but held up to our young as an example for all time as a sign that there is something more heroic than football, cricket, and money-getting. A party which will, by its force and character, impress upon the nation this great fact, that no nation is worthy of great possessions, no nation can remain free, and no nation can keep rights and privileges so hardly won by the heroism of its people in past ages, unless its citizens are prepared to recognize the obligation on themselves, each and every one, to prepare to defend these rights if and when required.

All history teaches us that a people which

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becomes too luxurious and too taken up with trivial things, will, like Carthage, ancient Greece, and Rome, become a prey to some other race which possesses great vital force and ambition.

Let us have, if necessary, Home Rule in Scotland, Wales, and England, as well as Ireland, but let us have, whatever happens, an Imperial Parliament free from parochial affairs—one which will be worthy of directing the destinies of a great Empire.

Without being desirous of injuring anyone, without endeavouring to parade our fancied superiority, let us pursue ideals in Government which will make a stronger and better nation and one more powerful for good throughout the world.

British ability and genius, as shown in colonizing, ruling alien races in India, and ameliorating the condition of a Moslem people in Egypt, can surely be directed into better channels than quarrelling about such a question as Home Rule for Ireland and a reasonable adjustment of the warring claims of different religious denominations in Wales.

V

THE EMPIRE

400,000,000 or 40,000,000?—Diplomacy and responsibility—
Imperial and national policy—Professor Cramb on
problems to be solved—The new statesmanship.

THE late Lord Salisbury once stated, in one of those prescient moments so characteristic of the man, that the Empire was given to us not for dividends but as a duty.

A favourite sneer of the Germans is that they cannot see why a nation of 40,000,000 of people should have the hegemony of the world.

They wilfully ignore the fact that the British Empire has within its bounds about 400,000,000 inhabitants, or about one-fifth of the population of the world.

This is a wonderful fact, and the solidarity of the Empire has been clearly shown during the present war.

The King-Emperor is the sole visible link

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between the various Dominions and this country; each of the large States, excepting only India, is self-governing; and the Dominion constitutions are modelled on that of Great Britain.

What is this duty of which our great statesman spoke? It seems to throw great responsibility on the people and Parliament of this country. What is to be the final shape of this Empire?

The Imperial position and the problems connected therewith were most ably dealt with by the late Professor Cramb in 1913.¹

“Is it possible then at such a transition period as the present, which because it *is* a transition period, is therefore as dangerous to a nation as a flank-march to an army—is it possible to form any clear conception of what ‘Empire’ has really always meant to England. . . . Can anyone define with any precision the aims which British Imperialism has unconsciously pursued in the past, and the ends which it now more or less consci-

¹ J. A. Cramb, *Germany and England*.

ously pursues in the present? . . . If I were asked how one could describe in a sentence the general aim of British Imperialism during the past two centuries and a half, I should answer. . . . To give all men within its bounds an English mind; to give all who come within its sway the power to look at the things of a man's life, at the past, at the future, from the standpoint of an Englishman; to diffuse within its bounds that high toleration in religion which has marked this Empire from its foundation; that reverence yet boldness before the mysteriousness of life and death characteristic of our great poets and our great thinkers; that love of free institutions, that pursuit of an ever higher justice and a larger freedom which rightly or wrongly we associate with the temper and character of our race where it is dominant and secure. . . . England's task now . . . is the evolution, not of an exterior uniformity, but of an inner harmony, the organization of this Empire that we always possess, the founding of an imperially representative Government. . . .

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“How is the central government of this vast and complex structure of Empire ultimately to be organized?”

“Who are to compose the Imperial Council or the Imperial Parliament? Upon what principle are its members to be elected, and from whom and by whom? It seems as if the political genius of the nation or the Empire were to be strained, to create not only a new school of statesmen but almost a new statesmanship.

“Is it conceivable, if those very principles which have made England an Empire are to persist—the larger freedom, the higher justice—that these organized countries (Canada, Australia, South Africa), these States already numbering some fifteen or sixteen million inhabitants, will be content to supply the means of peace and war, and yet have no voice whatever in the decision of peace and war?”

These are serious questions, and if they were of importance in 1913, how much more so now when the great world war has made all Imperial questions of vital interest.

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Emphatically, Great Britain cannot expect the self-governing Dominions to come to her aid in the future unless these States are given some say in the decision of peace and war. The Canadian Government have sent more troops to aid us in this war than Wellington had of British troops at Waterloo!

The organization of the Empire is a herculean task. Are we to face it or shirk it?

On the answer to this question hangs the future of Britain. Either we take the easier course, do nothing, and gradually sink into a second-rate power, or we grasp this great problem now, in consultation with the statesmen of the various Dominions, and evolve a scheme of joint Imperial control which will result in Great Britain being one of several free States all equally interested in the Empire as a whole and all armed to defend the freedom so beloved by our race. This would mean sacrifice on both sides. Are we in Britain ready for such a policy? Are the Canadians, Australians, and others willing to discuss this great question?

It is a mutual interest, for as we appreciate

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and benefit by the voluntary aid which our kith and kin beyond the seas send us when occasion arises, so they benefit by the sea power we maintain, and the opportunity of peaceful development which they enjoy as a consequence of that power.

They share with us the glorious heritage of the past, and one would fain believe that as a great community of free nations pursuing in the main the same ideals, there must be an even greater future for our glorious Empire, which is theirs as well as ours.

Surely a council of the Empire can be established and great Imperial interests controlled by this body, without in the slightest degree interfering with the self-government of the various States.

If the Dominions fight the Empire battles they must share with us, sooner or later, responsibility for the policy which leads to war.

We hope that the next great Imperial Conference will not neglect this result of the present struggle for all that is best in British traditions, for freedom of expansion, and for

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the peaceful development of those ideals so *long* associated with our race.

One cannot help considering also the effect of the great outburst of Indian loyalty which has so effectively falsified German hopes, and which must even have caused some surprise to many of our own people.

The presence of our Indian troops in a European war ; the loyal support of even the leading agitators for representative Government in India, and the failure of the attempts made by Turkey to stir up a "Holy War," are all significant facts which must have an effect on the future Government of India.

We are face to face with the problem of partial self-government for that section of the Empire.

After the great Mutiny Queen Victoria was proclaimed Empress of India. This war is fraught with much graver issues for the Empire as a whole, and how will its conclusion be signalized as far as India is concerned ?

It would seem that the unwavering loyalty of the peoples of this great possession of the Crown must be rewarded in some way. Is it

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not the case that some measure of self-government would show that as we called upon our Indian fellow-citizens to fight for our common Imperial heritage, we also desired them to assist in some measure in the governing of the Empire.

A scheme of this kind would require very careful consideration, but a proclamation conferring such a privilege on our Indian fellow-subjects should appeal to the imagination of the races embraced in these 300,000,000 of people.

In the early days of the war the India Office, in giving particulars of various offers of help made by Indian notables, also stated that the Aga Khan, leader of the Indian Moslems, had volunteered for service as a private in any infantry regiment in the Indian Expeditionary Force.

Such a fact should be noted ; its importance is immense in view of complications with Turkey.

This is not the least of the problems which the new statesmanship will require to settle.

VI

SOCIAL EFFECT OF THE WAR

Result of upheaval—Class prejudice—Greater seriousness—
Britain for the British—Mission of Britain.

FOR some years past the life of Britain might reasonably be stated to be more or less stagnant in respect of the best things in a nation's life. The usual political battles, class quarrels, and devotion to sport were present in a more or less aggravated form.

The solution of great social questions, such as the position of labour, housing of the poor, and the battle for the land, seemed as far off as ever.

The apparently irreconcilable claims of capital and labour were fast driving us towards civil war.

Too great luxury on the one hand and an objectionable (in the view of many of the

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higher classes) desire for a greater share of the material goods on the other seemed to call for sumptuary laws in the one case, and a minimum wage for labour.

The education of the people was a prey to the various religious denominations, and the children of the nation were being to a certain extent neglected because of the warring claims of those who professed to follow the same Master.

The only serious and powerful intellectual force in the nation was Socialism, which seemed a natural growth in such a state of national decay, or indifference.

What wonder that the great apostle of modern Germany should declare :¹

“that Britain’s world predominance is out of all proportion, to Britain’s real strength, to her worth or value, whether that worth be considered in the political, the social, the intellectual, or the moral sphere. What Treitschke hates in England is what Napoleon hated—a pretentiousness, an over-

¹ J. A. Cramb, *Germany and England*.

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weening middle-class self-satisfaction, which is not really patriotism, not the high, serious passion of Germany in 1813 and 1870, but an insular narrow conceit. . . .”

It is as well that we should sometimes see ourselves as others see us, in fact it is essential if we are to recognize the world forces working for and against us.

What is the position to-day? Plunged into a great and terrible war, at almost a moment's notice, how nobly has the nation responded. All that is best in the varied elements of our national life has been awakened, and the smug self-complacency which characterized some classes, and the discontented envy of others, have been swept away in a great wave of patriotism.

We are face to face with stern reality to-day; a strong, ruthless foe is threatening our very existence, our liberties are at stake, and while at first the effect of this stupendous event was somewhat numbing, the people soon rallied around the Government, and almost in a moment all political and class strife vanished.

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The great awakening! Is it truly to be a great awakening? Will this sympathy between classes, this meeting of Liberal, Conservative, Socialist, Churchman, Nonconformist, and Roman Catholic on the same platform result in permanent good?

All sorts and kinds of people are working together on committees for helping the unemployed, Belgian and French refugees, and, more than all, helping our brave sailors and soldiers. What is to be the result of all this common effort, and the bringing of war and what it means home in a slight degree to our British people?

We hear from the Belgians what that brave little country has suffered for freedom's sake, we hear of towns destroyed, men, women, and children slaughtered, and of atrocities unmentionable.

We see daily lists of killed and wounded, our own kith and kin, dying for their country; thousands and thousands are in mourning.

Are all these things going for naught, because, as we hope, our shores will not be soiled by the invader's foot, our trade (we

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believe) will not be materially affected? Are we going to sink back into the old state of bitter, and in many ways senseless, political strife, hatred between classes, want of sympathy with others not so fortunate in the battle of life, or is this sacrifice of our nation's best blood really going to engender a more serious appreciation of our duty to ourselves, to our country and to our Empire?

We pride ourselves on the fact that this is a free country, and welcome those who flee oppression. May we never forsake that policy, but temper it with wisdom.

What patriot but views with sadness the spectacle which so often greets our eyes at our railway stations—thousands of Britain's best leaving her shores!

These stalwart sons are not lost to our Empire in all cases, and we do not grudge them to our sister States of the Empire, but is there not something wrong when they are replaced here with aliens, in many cases most undesirable, as has been proved recently?

The natural roving disposition of the Briton, the desire for the open spaces and the free

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air of the undeveloped Dominions of our Empire, account for many leaving us doubtless, and good it is that this old colonizing spirit still exists, but does any sane Briton dispute that many of these citizens are *driven* from our shores ?

A sound national policy would enable us to keep many with us ; a reasonable policy based on Britain for the British would demand greater scrutiny of aliens and greater security for our own people.

We seem to want more sympathy with the British themselves in our national policy, better conditions of living for our poor, and a greater belief in the mission of our country. Less extravagance, less absorption in games, less money-grubbing, and more unselfishness and sympathy in the individual would soon effect a change in our people.

A little more seriousness, less dislike to the discussion of vital questions, healthier sport, and more patriotism would seem to indicate a higher level of national life.

Oftentimes it seems as if it were considered bad form to want to look vital facts straight

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in the face. Will this world war, with all its immeasurable issues, bring about a healthier and more sane national life?

We will close with one more extract from that noble work, which might well be our handbook at this time :¹

“ But in this is one’s final hope, that the English nation and race as a whole shall gradually perceive that if the task of internal organization is ever to be carried out in that tranquillity and security of spirit which is necessary for all high tasks in politics, England must take upon herself the fulfilment of her destiny, depending upon herself alone for the realization of a destiny that is *her* destiny.”

¹ J. A. Cramb, *Germany and England*.

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